

NEW JERSEY ALTERNATIVE FUEL VEHICLE INCENTIVES AND LAWS

Overview

New Jersey does not have any incentives for private sector alternative fuel vehicles (AFVs), except for lower per-gallon taxes for liquefied petroleum gas (LPG) and compressed natural gas (CNG) than for gasoline. The Environmental Protection & Energy Office is using \$1.5 million in oil overcharge funds to convert vehicles to alternative fuels for use by state agencies. Several New Jersey utilities are active in support of AFVs and offer rebates for purchases and conversion of vehicles.

Highlights

\$ Cash rebates from Public Service Electric & Gas for 1/3 of the conversion costs for CNG vehicles or the incremental costs for purchasing a new CNG vehicle

State Incentives

The New Jersey Board of Public Utilities, Division of Energy, with support of a pilot grant from the U.S. Department of Energy, will assist the cities of Newark, Trenton, Jersey City, Elizabeth, and other communities in close proximity of existing or planned CNG refueling sites with converting vehicles to CNG or purchasing original equipment manufacturer (OEM) vehicles. The Division of Energy is using \$1.5 million in oil overcharge funds to convert vehicles to alternative fuels for use by state agencies. Proposed legislation would provide several tax incentives for alternative fuels and AFVs including a sales tax exemption, motor fuels tax exemption, and a corporate tax credit for vehicle conversions. For more information, contact Ellen Bourbon at (609) 984-3058.

Utility/Private Incentives

\$ **Public Service Electric & Gas** offers cash rebates for 1/3 of the conversion cost for CNG vehicles or 1/3 of the incremental cost for the natural gas vehicle (NGV) option on a new vehicle, up to \$1,000, with a maximum of \$50,000/customer. Public Service Electric & Gas offers a special rate for resale of CNG as a motor vehicle fuel. Refueling station development assistance is available on a case-by-case basis. Private fleets can make arrangements to refuel at Public Service Electric & Gas locations throughout the state. For more information, contact Chris Savastano at (201) 430-5788.

Elizabethtown Gas offers technical assistance, and design and construction assistance to build CNG refueling stations. Elizabethtown Gas will also assist customers with vehicle conversion. For additional information, call Greg Adams at (908) 289-5000.

New Jersey Natural Gas Co. has a number of ongoing pilot programs involving short-term loans of NGVs and a fuelmaker refueling appliance to fleet operators to allow them to try natural gas as a vehicle fuel. Contact William Wells, NGV Consultant, at (908) 919-8030 for more information.

Laws & Regulations

Tax incentives are provided for LPG and CNG as transportation fuels, including a fuel tax rate of 5.25¢/gasoline gallon equivalent (gge), instead of the 10.5¢/gallon excise tax on motor fuels.

Public Law 1993, c. 69, approved March 10, 1993, authorizes the adoption of a low emission vehicle (LEV) program by the Department of Environmental Protection, but prohibits the use of California reformulated fuel. If the sale and use of reformulated fuel is required by Federal law, rule, regulation, agency ruling, order, opinion or other action or court order, the LEV program in New Jersey shall expire 180 days from the date of enactment of the Federal law or requirement.

NEW JERSEY ALTERNATIVE FUEL VEHICLE INCENTIVES AND LAWS

Points of Contact

New Jersey State Energy Office

Board of Public Utilities
Division of Energy
Ellen Bourbon (609) 984-3058

Public Service Electric & Gas

Chris Savastano (201) 430-5788

Elizabethtown Gas

Greg Adams (908) 289-5000
extension 5712

New Jersey Natural Gas Co.

William Wells (908) 919-8030

Metropolitan Planning Organizations

North Jersey Transportation Planning Authority

Cliff Sobel (201) 639-8400

South Jersey Transportation Planning Organization

Timothy Chelius (609) 794-1941

New Jersey State Transportation Contact

Department of Transportation
John Moore (609) 530-2884

U.S. Department of Energy

Regional Support Offices

New York Regional Support Office
Wayne Belgrave (212) 264-0012
Emmet Murphy (212) 264-8474

Boston Regional Support Office

David Chamberlain (617) 565-9734
Noel Clay (619) 565-9710

U.S. Department of Transportation Contacts

Federal Highway Administration

Region 1
Alicia Nolan (518) 431-4224
extension 236

Federal Transit Administration

Region 2
Robert Ritter (212) 264-8162

General Services Administration

Regional Fleet Manager

Region 2
Brian Smith (212) 264-3930

U.S. Environmental Protection Agency

Regional Pollution Prevention Coordinator

Region 2
Janet Sapadin (212) 637-3584